Regional integration among Asian countries

1763. SHRIMATI N.R DURGA:

SHRI RAMA MUNI REDDY SIRIGIREDDY:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) to what extent India has succeeded in advocating Trade Block for Asia on the lines of EU for the prosperity and development of the Asian region; and

(b) how India, China and other major Asian countries are striving for regional integration so as to compete with EU and others in the world?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) The Government of India has signed South Asia Free Trade Area (SAFTA) Agreement comprising SAARC members; Framework Agreement with Association of South East Asian Nations (ASEAN) on a Comprehensive Economic Cooperation Agreement (CECA); Framework Agreement for Bay of Bengal Initiative for Multisectoral Technical & Economic Cooperation Free Trade Agreement (BIMSTEC FTA); Bilateral CECA with Singapore and Bilateral Free Trade Agreements with Nepal, Bhutan and Sri Lanka. There are also ongoing negotiations for bilateral CECA with Thailand and Sri Lanka. However, at present there is no plan of the Government of India to set up Single Asian Trading Block on the lines of the European Union.

Performance of Manufacturing Sector

1764. SHRI RAVI SHANKAR PRASAD:
SHRI B.J. PANDA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that our manufacturing sector is showing steady signs of recovery and growth;

(b) if so, what is the performance of this sector during 2004-05; and

(c) what is the action plan of Government to give a boost to this sector to generate additional employment opportunities and improve the economy of the respective regions?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) Yes, Sir. As per the Index of Industrial Production (IIP) with base 1993-94, released by the Central Statistical Organisation, the manufacturing sector has shown a steady increase in growth from 6.0 per cent in 2002-03 to 7.4 per cent in 2003-04 and to 9.1 per cent in 2004-05.

(c) The Union Government supplements the efforts of State Governments to promote industries in their respective States, through a variety of policy measures and programmes. The Government has initiated several steps to hasten the pace of industrial growth, including rationlization in duty rates of customs and central excise. Measures to promote manufacturing and the requisite physical infrastructure such as the Industrial Infrastructure Up-gradation Scheme (IIUS) to enhance productivity and competitiveness of the domestic industry by providing quality infrastructure in functional clusters and the Industrial Park Scheme have been launched. Special incentives are being given to promote industrialization in the North-East Region and in the special category States. Recognizing the distinct comparative advantages enjoyed by the leather sector and its employment potentiality, a scheme for the integrated leather development with an outlay Rs. 290 crore has been approved by the Government in the Tenth Plan. An ongoing scheme exists for the improvement of infrastructure and skill development in the leather sector.

Border trade through North Eastern Region

1765. SHRIMATI MOHSINA KIDWAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are aware of the fact that poor infrastructure has hit North East trade;

(b) if so, what action Government have taken to improve the infrastructure and to improve border trade through North Eastern region; and

(c) if not, the reasons therefor?